

DEPARTMENT OF STATE

Memorandum of Conversation

The White House  
DATE: October 7, 1963

Ha

SUBJECT: Franco-American Relations and Europe

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PARTICIPANTS:	<u>US</u>	<u>France</u>	
	The President	Mr. Couve de Murville	
	Mr. Ball	Ambassador Alphan	
	Ambassador Bohlen	Mr. Lucet	
	Mr. Tyler		
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The President asked the Foreign Minister about the state of Franco-American relations and whether they were improving.

relationship should be looked at, not merely Franco-US relations. The President asked how the Foreign Minister thought that our approaches differed.

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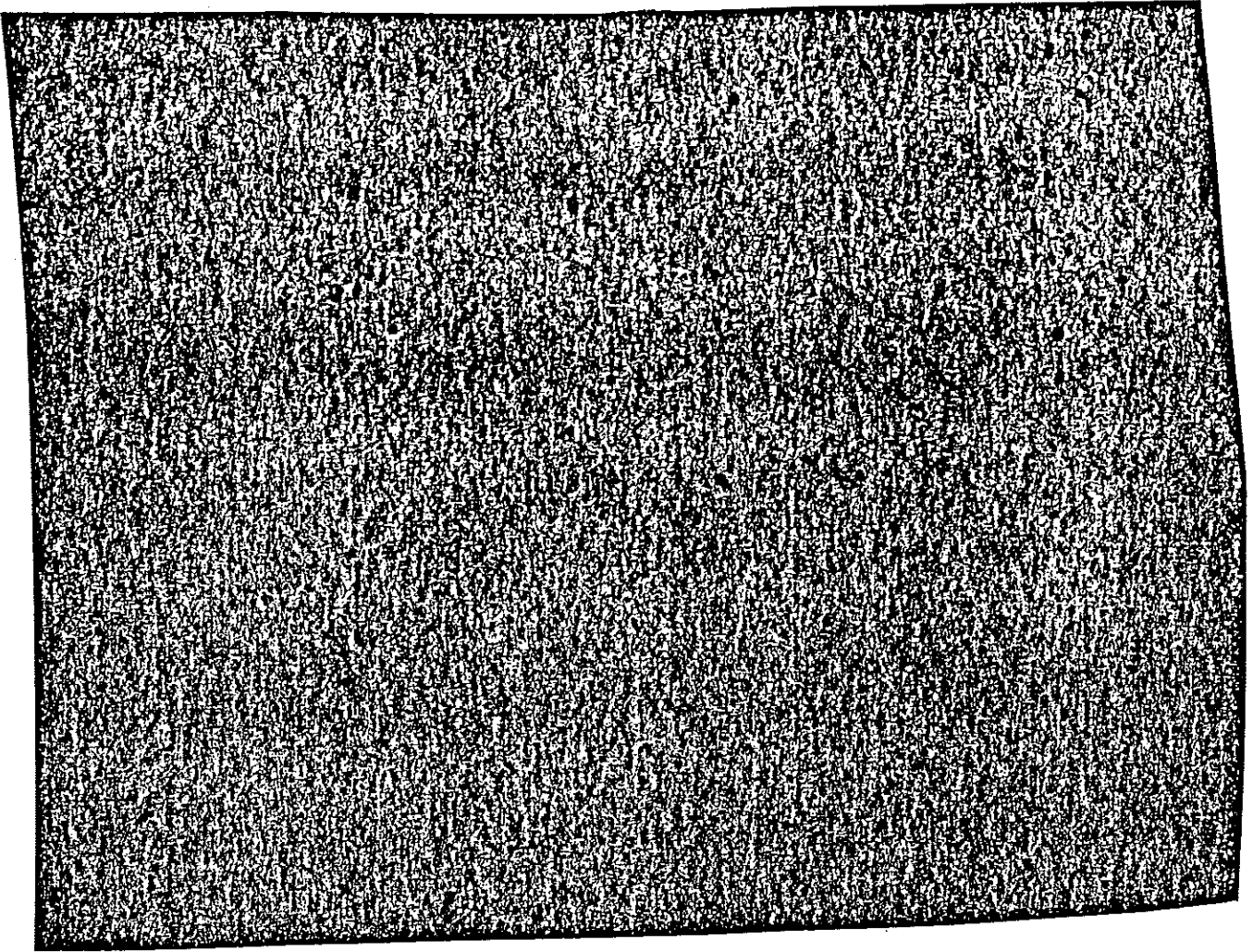
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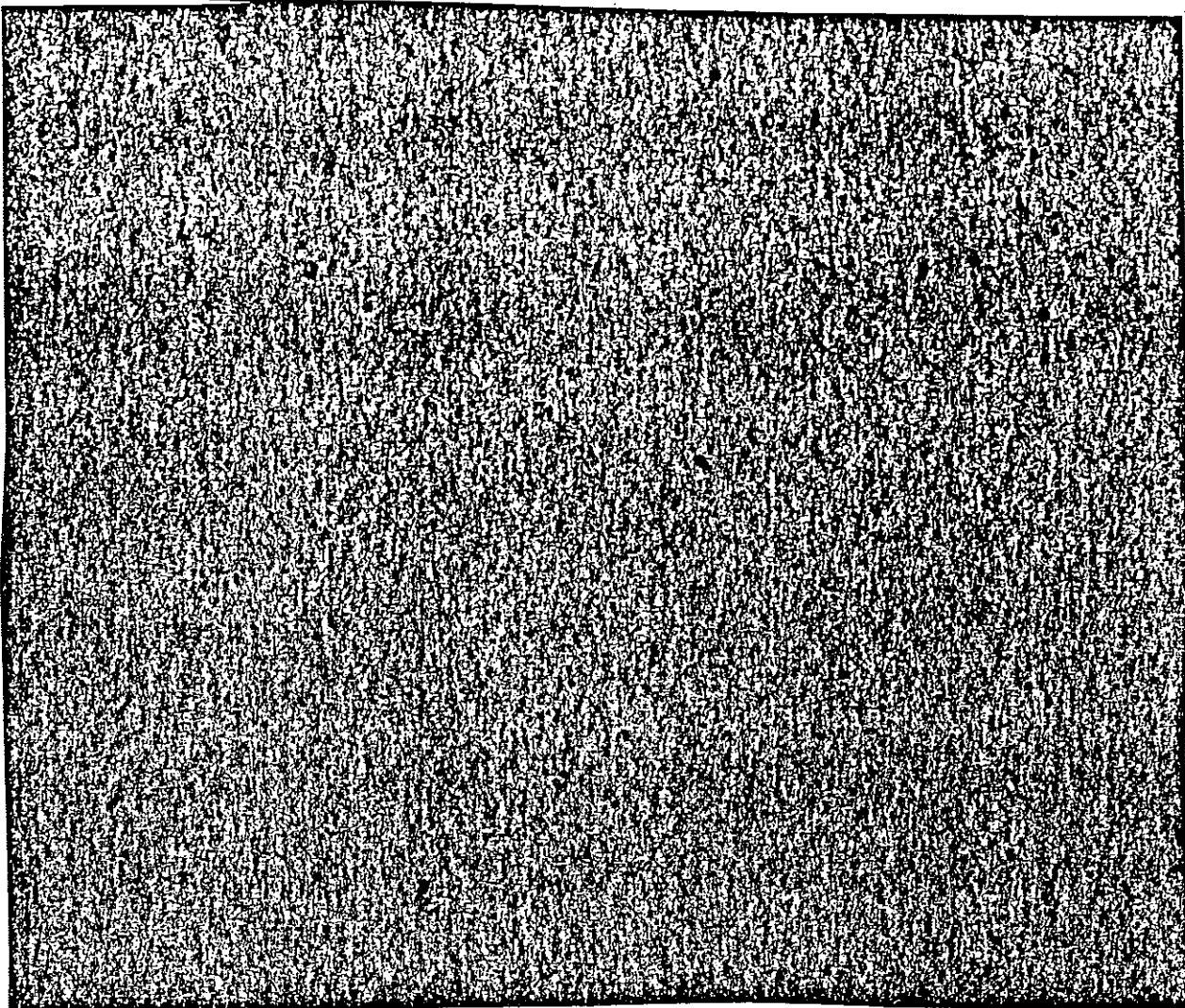
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The President said that one of the unintended results of the Franco-German Treaty of last January was that it made it appear as though France and the United States had basically different aims. The treaty really looked as though it were something more than the healing of old wounds, but rather as though it were outside of, and directed against, NATO. The President said he shared the desire to bring Franco-US relations closer. If these appeared to diverge on defense and European problems this was certainly bad for Germany. It would be good if we could normalize our relations on NATO and economic matters. The President asked how far apart we really were.

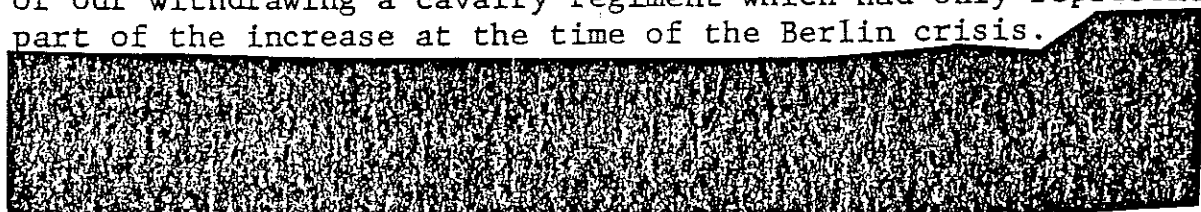
The Foreign



The President said that whenever we even looked as though we were contemplating reducing the extent of the US contribution this had gotten us into difficulties with our allies.



The President referred to the concern in Germany at the prospect of our withdrawing a cavalry regiment which had only represented part of the increase at the time of the Berlin crisis.



[REDACTED]

Mr. Ball referred to the recent measures which the French government had taken facilitating US exports of fruit to France. He said that these had been very helpful.

[REDACTED]

The President said that what really mattered was not so much trade as the problem of the balance of payments. For the United States, foreign trade was, relatively, less important than this. He said that we should create a system within the West which would result in a relatively even flow of international payments. He said, for example, that France was increasing her reserves by \$25 million a month. We should look to see what can be done to avoid this kind of situation. New steps were needed to bring the balance of payments problem under control. He said that it was of course related to trade.

[REDACTED]

The President said that US foreign investment was an American problem but he asked what about tourism.

[REDACTED]

The President said we had tried to do something about long-term investment abroad. This was very difficult because every time we did something it had caused widespread concern. He said we had increased interest rates domestically which should help the problem.

[REDACTED]

[REDACTED]

The President went back to the subject of NATO and said he could not see where the disagreement lay. He did not disagree with anything Couve had said about NATO so far. He said it was true there was less danger of war but at the same time it was difficult to do anything in the way of reduction of forces because of German nervousness. He wondered where all this took us in our relations with France.

[REDACTED]

The President said that when the United States does anything people worry about it. He thought that this principle should work both ways and not just against us. Ambassador Bohlen said that what really counted were new acts by France taken without consultation with her allies and contrary to the spirit of NATO, e.g., her latest withdrawal of ships, and earlier initiatives. Mr. Ball said that this point should be stressed. If we move or shift troops, then we do it against a considerable background of doubt and apprehension which has been stimulated by France claiming that we have it in mind to withdraw from Europe.

[REDACTED]

Mr. Ball said that one of the difficulties with General de Gaulle's statements on the defense of Europe was that although they sounded precise, the time factor was not defined, so that he made it sound as though the United States was going to pull out now.

The President asked the Foreign Minister about the significance of the recent speech by the State Secretary in the Foreign Office, Habib Deloncle.

[REDACTED]



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[REDACTED]

The President asked how Europe was going to organize herself in nuclear matters.

[REDACTED]

The President said he didn't see on what we differed with France. Was it deficiency in liaison? Why do we give the appearance of having friction with France, which is an unhealthy condition? He said he thought that we were quite close on Laos, but General de Gaulle's statement on Vietnam had been unhelpful, particularly with regard to its timing.

[REDACTED]

Mr. Ball repeated that the timing had been unfortunate.

The President said he thought it was being made to appear worse than it is.

[REDACTED]

[REDACTED]

The President asked about the possible nuclear role of Israel, and the French position.

[REDACTED]

The President asked the Foreign Minister how he suggested that France and the United States manage their affairs in the next few months to indicate a greater harmony between them. He said he thought that this would be useful for France too.

[REDACTED]

The President asked what Prime Minister Pompidou had meant when referring to a certain "economic press" being sold out to US interests.

[REDACTED]